

## **Texas Department of Insurance**

Division of Workers' Compensation

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## **Division Developing Closed Formulary for Prescription Medications**

AUSTIN, TX – Commissioner of Workers' Compensation Albert Betts is required to adopt a closed formulary for prescription medications in the workers' compensation system in accordance with Texas Labor Code §408.028(b). The closed formulary, which will apply to network and non-network claims, will provide reimbursement rates that are fair and reasonable, assure adequate access to medications and services for injured employees and minimize costs to employees and insurance carriers.

To provide input for rulemaking development of a closed formulary, the Texas Department of Insurance, Division of Workers' Compensation (TDI-DWC) has formed a pharmacy formulary work group to study existing closed formularies and their associated rules of other state and federal agencies, including Texas Medicaid and the U.S. Department of Veterans Affairs. The TDI-DWC Medical Advisor is chairing the work group, which is comprised of health care and pharmacy professionals.

The group will provide a report on recommendations for a closed pharmacy formulary to Commissioner Betts in early April 2008. Additionally, the formulary work group will review data on pharmaceutical usage in Texas collected and published in a Pharmaceutical Descriptive Analysis by the Texas Department of Insurance's Workers' Compensation Research and Evaluation Group.

The following are tentative rule development timelines, which are also available on the TDI-DWC rules timeline posted on the agency website at: http://www.tdi.state.tx.us/wc/rules/tableofcontents/rulesoptions.html.

Pharmacy Report	April 4, 2008
Stakeholder Meeting	April 18, 2008
Informal Comment posted on TDI website	June 16, 2008
Rule Proposal	September 2008
Public Hearing	October 2008
Rule Adoption	December 2008